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March 21, 2000

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VIA OVERNIGHT MAIL

Office of the Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

**Re: Docket No. 00-00083 – Application of NewPath Holdings, Inc. for a
Certificate to Provide Competing Local Telecommunications Services**

Enclosed for filing with the Tennessee Regulatory Authority ("TRA") please find and original and thirteen (13) copies of the verified Pre-Filed Testimony of Mick Herke filed in support of the application referenced above. This testimony is submitted in response to information requests sent by Mr. Darrell Whitis of the TRA's staff and received by NewPath on March 1, 2000.

Included as Exhibit A to the testimony is supplemental financial information requested by Mr. Whitis in his information requests. This information has been provided in sealed envelopes marked "CONFIDENTIAL." NewPath requests that the TRA not publicly disclose this information because to do so would reveal the size, nature, and scope of NewPath's business and financial operations to competitors and potential competitors.

An additional copy of this filing has been included along with a self-addressed, postage-prepaid envelope. Please date-stamp this copy and return it to us for our files.

Please direct any questions concerning this filing to me at the address or phone number listed above. Thank you.

Respectfully submitted,

Richard Davis

Richard Davis
Counsel for NewPath Holdings, Inc.

cc: Mick Herke

BEFORE THE TENNESSEE REGULATORY AUTHORITY

In the Matter of the Application of)	
NewPath Holdings, Inc. for)	Docket No. 00-00083
a Certificate to Provide Competing)	
Local Telecommunications Services)	

**PRE-FILED TESTIMONY
OF
MICK HERKE**

Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.

A. My name is Mick Herke. I am Executive Vice President, Contracts and Regulatory for NewPath Holdings, Inc. ("NewPath"), the applicant in this proceeding. My business address is 11260 Aurora Avenue, Des Moines, Iowa 50322.

Q. PLEASE DESCRIBE YOUR QUALIFICATIONS AND EXPERIENCE AS THEY PERTAIN TO THIS PROCEEDING.

A. I have more than 17 years experience in telecommunication, primarily with independent companies in Iowa. Before coming to NewPath, I served as Executive Vice President and General Manager of Alpine Management Company. Alpine Management Company manages the operations of Alpine Communications, a LEC that serves approximately 7,000 customers in Northeast and West Central Iowa. I was the lead involved in transitioning ownership of access lines from US West to Alpine from 1996 to 1997.

My experiences in the telecommunications industry includes the following:

1. Initiated the operational start-up of Alpine Communications, Inc.
2. Assisted other independent telephone companies with their acquisitions of US West properties;
3. Facilitated the transition of US West properties to Alpine and other independent telephone companies in Iowa during 1997;
4. Developed network plans to upgrade digital switches and deploy a fiber optic network to effectively serve Alpine's customers;
5. Developed and administered yearly budgets;
6. Former operations manager for a MMDS wireless cable TV company that covered the Minneapolis/St. Paul metropolitan area;
7. Developed and implemented start-up MMDS wireless cable TV system that covered 900 square miles in northern Iowa and southern Minnesota; and
8. Developed plan to construct, transmit, and receive towers for the wireless cable TV systems, which included filing for, and receiving proper FAA clearances and adhering to local zoning ordinances.

Q. ARE YOU FAMILIAR WITH NEWPATH'S APPLICATION FOR A CERTIFICATE OF AUTHORITY TO PROVIDE COMPETING LOCAL TELECOMMUNICATIONS SERVICES FILED WITH THE TENNESSEE REGULATORY AUTHORITY ON FEBRUARY 4, 2000?

A. Yes.

Q. DO YOU CONFIRM THAT THE STATEMENTS MADE IN THE APPLICATION ARE TRUE AND ACCURATE TO THE BEST OF YOUR KNOWLEDGE AND BELIEF?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY TODAY?

A. I am submitting this testimony in response to an Information Request transmitted to NewPath by Mr. Darrell Whitis of the Tennessee Regulatory Authority ("TRA") staff on March 1, 2000. Mr. Whitis suggested that NewPath provide written testimony describing the services that NewPath will provide and NewPath's technical, managerial, and financial abilities to provide such services. He also asked for specific information relating to NewPath's services and qualifications that I will address in this testimony.

Q. WHAT SERVICES DOES NEWPATH INTEND TO PROVIDE IN TENNESSEE?

A. Initially, NewPath intends to provide only data transmission services, including xDSL technology, to provide high-speed, high-quality data connections to businesses and residential customers. To the extent market conditions warrant, however, NewPath contemplates supplementing its data services in the future with resold or facilities-based local and interexchange voiceband services.

Q. DOES NEWPATH INTEND TO PROVIDE ITS SERVICES ON A STATEWIDE BASIS?

A. Initially, NewPath will provide its proposed data services, and voiceband services to the extent NewPath later decides to provide such services, only in the exchange areas in Tennessee currently served by Bell South and GTE. NewPath, however, has requested statewide certification to allow for future expansion of its service offerings without further application to the TRA. It should be noted that, at this time, NewPath does not seek to extinguish any small or rural exemption existing under Section 251 of the federal Telecommunications Act of 1996. However, NewPath reserves its right to challenge any claim of exemption under Section 251 that it may face in the future, subject to compliance with any state and/or federal requirements governing such challenges.

Q. WHAT WILL BE THE PRIMARY COMPONENTS OF NEWPATH'S SERVICE NETWORK?

- A. The equipment that NewPath will use in providing its data services will be advanced telecommunications equipment collocated in, initially, Bell South and GTE wire centers and remote terminals. This equipment includes, but is not limited to, DSLAMs, loop testing equipment, and splitters. NewPath intends to supplement this equipment with unbundled network elements and/or other transport means leased or purchased from the ILEC and/or other certified carriers. To the extent that NewPath adds voiceband services to its data service offerings, the nature of and facilities used to provide such services will be dependent on future market conditions and NewPath's future interconnection arrangements with other carriers.

Q. DOES NEWPATH HAVE THE MANAGERIAL AND TECHNICAL RESOURCES NECESSARY TO PROVIDE THE SERVICES THAT IT PROPOSES?

- A. Yes. Attachment D of NewPath's application provides detailed biographies of NewPath's management team and the outside consultants that NewPath has engaged to be involved in and oversee NewPath's operations. These key personnel and consultants have well over 100 years of telecommunications industry managerial and technical experience that will be devoted to NewPath's operations.

Q. WILL TENNESSEE CUSTOMERS BE REQUIRED TO PURCHASE CUSTOMER PREMISES EQUIPMENT THAT CANNOT BE USED WITH ILEC SYSTEMS IF A NEWPATH CUSTOMER DECIDES TO SWITCH ITS SERVICE TO AN ILEC?

- A. To the extent NewPath's services require a customer to purchase customer premises equipment, such equipment will be industry standard equipment with which an ILEC's systems should be compatible.

Q. DOES NEWPATH HAVE THE FINANCIAL RESOURCES AVAILABLE TO PROVIDE THE SERVICES THAT IT PROPOSES?

- A. Yes. I have attached as Exhibit A detailed documentation of NewPath's financial ability to provide the services that it proposes. Included in this documentation are NewPath's balance sheet, statement of cash flows, and statement of operations as of December 31, 1999. I have also included NewPath's most recent available balance sheet, reflecting NewPath's financial position as of February 29, 2000. NewPath does not currently have audited financial statements available.

In Attachment A of NewPath's application, NewPath provided the TRA with copies of NewPath's projected balance sheets and income statements. For the convenience of the TRA, I have resubmitted clearer copies of these statements and supplemented them with cash flow and capital expenditure projections.

I have placed all of the documents submitted in Exhibit A in sealed envelopes marked "CONFIDENTIAL." NewPath requests that the TRA not publicly disclose this

information because to do so would reveal the size, nature, and scope of NewPath's business and financial operations to competitors and potential competitors.

Q. HAS NEWPATH FILED A SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN WITH THE TRA?

A. Yes. NewPath's Small and Minority-Owned Telecommunications Business Participation Plan was filed along with its original application as Attachment E. The plan sets forth NewPath's policy and goals for implementation. I will be the administrator of the plan as set forth in Attachment E.

Q. IS NEWPATH AWARE OF THE TRA'S REQUIREMENT THAT NEWPATH SUBMIT AN APPROPRIATE TOLL DIALING PARITY PLAN FOR TRA CONSIDERATION AT LEAST 60 DAYS BEFORE OFFERING VOICE GRADE SERVICE?

A. Yes. As stated in NewPath's original application, NewPath will comply with any appropriate toll dialing parity plan filing requirements required of it by the TRA before providing voice grade service in Tennessee.

Q. IS NEWPATH CURRENTLY AUTHORIZED TO CONDUCT BUSINESS WITHIN THE STATE OF TENNESSEE?

A. Yes. NewPath received its Certificate of Authorization to transact business in Tennessee from the Tennessee Secretary of State on February 11, 2000. A copy of NewPath's certificate is included with this testimony as Exhibit B.

Q. HAS THE STATUS OF ANY OF NEWPATH'S APPLICATIONS FOR AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICES IN THE STATES LISTED IN NEWPATH'S TENNESSEE APPLICATION CHANGED SINCE NEWPATH'S TENNESSEE APPLICATION WAS FILED?

A. Yes. In its original application, NewPath informed the TRA that it currently had applications for authority to provide telecommunications services pending in Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, North Dakota, Nebraska, Ohio, Oklahoma, South Dakota, and Wisconsin. On February 18, 2000, the Wisconsin Public Service Commission granted NewPath's application. NewPath's other applications are still pending. NewPath has not been denied certification in any state, nor had any such authority revoked.

Q. DOES NEWPATH CURRENTLY HAVE ANY CORPORATE AFFILIATES OR SUBSIDIARIES?

A. No.

Q. TO DATE, HAS NEWPATH BEEN INVOLVED IN ANY CORPORATE MERGERS OR ACQUIRED OR BEEN ACQUIRED BY ANOTHER CORPORATE ENTITY?

A. No.

Q. WILL NEWPATH REQUIRE CUSTOMER DEPOSITS?

A. NewPath may require customer deposits. To the extent that NewPath requires customer deposits, the amount of such deposits will be no more than is allowable under Tennessee law or TRA rules.

Q. TO THE EXTENT NEWPATH EVENTUALLY PROVIDES VOICE GRADE SERVICES, WILL IT FILE A MONTHLY WIRELINE ACTIVITY REPORT WITH AS REQUIRED BY THE TRA?

A. Yes. To the extent NewPath eventually provides voice grade service in Tennessee, NewPath will file a monthly wireline activity report as required by the TRA.

Q. WILL NEWPATH FILE A TARIFF FOR INFORMATIONAL PURPOSES ONLY AFTER THE TRA GRANTS NEWPATH'S APPLICATION?

A. Yes.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

**BEFORE THE
TENNESSEE REGULATORY AUTHORITY**

VERIFICATION

STATE OF IOWA

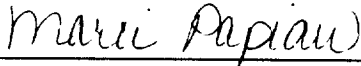
COUNTY OF POLK

Mick Herke, being first duly sworn, deposes and says: That he is the Executive Vice President of NewPath Holdings, Inc., the applicant in the above proceeding, that he has read the foregoing Pre-Filed Testimony, and knows the contents thereof; and that he is authorized by NewPath Holdings, Inc. to verify that its contents are true.



Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322
Telephone: (515) 276-3069
Facsimile: (515) 276-9181

Subscribed and sworn to before me this
20th Day of March, 2000



Notary Public
State of Iowa

My commission expires: 5/7/01



EXHIBIT A

EXHIBIT B

Secretary of State

Corporations Section

James K. Polk Building, Suite 1800

Nashville, Tennessee 37243-0306

ISSUANCE DATE: 02/11/2000
REQUEST NUMBER: 00042515
TELEPHONE CONTACT: (615) 741-6488

CHARTER/QUALIFICATION DATE: 02/10/2000
STATUS: ACTIVE
CORPORATE EXPIRATION DATE: PERPETUAL
CONTROL NUMBER: 0384422
JURISDICTION: DELAWARE

TO:
CAPITAL FILING SERVICE, INC
7051 HIGHWAY 70 S
NO 333
NASHVILLE, TN 37221

REQUESTED BY:
CAPITAL FILING SERVICE, INC
7051 HIGHWAY 70 S
NO 333
NASHVILLE, TN 37221

CERTIFICATE OF AUTHORIZATION

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT
"NEWPATH HOLDINGS, INC.",

A CORPORATION FORMED IN THE JURISDICTION SET FORTH ABOVE, IS AUTHORIZED TO
TRANSACTION BUSINESS IN THIS STATE;
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE
AUTHORIZATION OF THE CORPORATION HAVE BEEN PAID;
THAT AN APPLICATION FOR CERTIFICATE OF WITHDRAWAL HAS NOT BEEN FILED.

FOR: REQUEST FOR CERTIFICATE

ON DATE: 02/11/00

FROM:
CAPITAL FILING SERVICE, INC.
PMB 333
7051 HWY 70 SOUTH
NASHVILLE, TN 37221-0000

RECEIVED: FEES \$200.00 \$0.00
TOTAL PAYMENT RECEIVED: \$200.00

RECEIPT NUMBER: 00002618956
ACCOUNT NUMBER: 00101230



Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE